Serial No.: 09/826,157 - 3 - Art Unit: 2137

Conf. No.: 4012

## **Abstract**

A system and method for distributing title data, such as songs, videos or computer games. The title data is provided from a central location to a customer who may purchase or rent a copy of the title data. The title data is made available on a computer readable media, which may be physical media, such as a CD or DVD, or virtual media, such as a computer network. Before distribution, the title data is watermarked with information to identify the customer to whom the title data was distributed. The watermark may be created using identifying information to modulate the title data using a randomly selected modulation scheme at multiple randomly selected locations. The system stores an indication of the locations and frequency modulation scheme, allowing the identifying information to be recovered from the watermarked copy of the title data.